
Care Labeling and the Apparel Industry

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It's a pleasure for me to be here today. American Apparel Manufacturers Association (AAMA) members make about 70 percent of all the apparel produced in the United States, and they have plants in almost every state. So we contribute a great deal to the economic well-being of the United States.

Half of all the garments purchased in the United States are made here. The apparel industry has sales of \$50 billion, provides 860,000 jobs, and makes 6.5 billion garments that require care instructions. As you've already heard, the United States is about to adopt a care symbol system that will provide an alternative to written care instructions. To be acceptable to the Federal Trade Commission, this system must relay the same information to the consumer that is now given via written instructions. We've been working on this for some 4 years now; it isn't something new that has just come up in the last 6 months or so.

When we started, the change was brought about by the needs to harmonize the labeling requirements within the North American Free Trade Act (NAFTA). In the NAFTA text itself, it says that the members are committed to harmonizing the required labeling rules of the three countries, that's why we're here. Since the United States was the only country that did not have a care symbol system, it was up to us to change. In the case of Canada, it's voluntary, but in the case of Mexico, it is required if you don't use written care instructions.

The proposed care label system in NAFTA is also an American Society for Testing and Materials system, and it is fairly compatible with the International Organization for Standards (ISO) system. There are a number of points I think we should make here when we talk about this care symbol system and care labeling in general. U.S. industry has a vested interest in

providing consumers with the information they need to maintain garments. There is a desire to have this care symbol system, and it is something that we all feel is very important.

When consumers look at garments, they look at labels for two things: fiber content and care instructions. Whether or not they buy that garment depends on what they find. If the care instructions are too complicated, they may not buy it. If the fiber content is not right, even if there are good care instructions, they may not buy it. So, it's very important that we have a system that will provide the consumer with what they need and also have consumer satisfaction.

While the apparel industry has the primary responsibility for care labeling (because we put the labels on the garment during assembly) retailers at the other end—and the yarn and fabric producers—also have a vested interest in ensuring that the consumer receives proper care instructions. The use of incorrect care instructions for the materials used in the garment can cause damage, and damaged garments cause consumer dissatisfaction. That's the one thing we don't want. We want to make sure when we put something out to the consumer, it has the instructions necessary to maintain that garment properly for its useful life. All the materials in it have to be tested. We have to know what those materials will do as we go along, as the garment is being used and cared for.

Care labeling is not new; we've had a mandatory care labeling requirement for 25 years. The important thing here is that the United States is one of the very few countries that *requires* this. Most countries of the world that accept a care symbol system or written care instructions do not require it to be put on the garment permanently. There are very few countries that require it. So we're very concerned that we have the time frame

necessary to do what we decide to do. We believe that it's extremely important that any modification of care labeling rules be done with great care and with sufficient lead time to adjust to the changes. We've talked about this in the last 2 days in terms of wet processing and dry cleaning in general, which, as everybody pointed out yesterday, is only 10 percent of the total amount of garments being cared for. It is important that we put out care instructions that say the kinds of things we need the consumer to know. We need to know what's going to happen when the consumer throws a garment in the laundry or the professional cleaner takes it and puts it in their system, whatever that system is.

It's important also that we have a system that is useful not only in NAFTA, but also worldwide. Almost \$100 billion in garments are sold worldwide just to the developed countries; the European Community and the United States each import about \$38 billion worth of apparel a year, Japan imports another \$16 billion, and \$8 billion is imported by the rest of the developed countries. Ninety percent of these imports come from the emerging countries of the world. We have a huge amount of international trade. One of the things that we were cognizant of and wanted to make sure of when we develop the system is that this system be compatible with the ISO system to the extent possible. We want to have a single worldwide care label symbol system that will provide icons for consumers worldwide to understand how to care for their garments.

The only major concern we have between the NAFTA rules and the ISO is that we believe that any system developed worldwide should not be encumbered by any type of proprietary trademarks. We will

work with the ISO system and try to arrive at something because we believe sincerely that one worldwide system is important. I think we're going to be able to do that. It will take a little time, but I think it's possible.

In conclusion, the apparel industry is committed to working with its suppliers to make sure the materials we use in garments are compatible, and that how the consumers take care of those garments will provide them with a long useful life. The worst thing we can do is to make a garment that shrinks, or the colors run, or print falls, or whatever. The retailers are the first line to get hit with this problem, but we also run into it because we have the primary responsibility for what we use in garments.

We need time to adjust. We cannot adjust in a few weeks or a few months. It takes 6 to 9 months just to get new woven labels to put on garments and to utilize the inventory of current labeling. It is not an easy task. And that's just one area; we're talking about changing the way garments are dry cleaned and the way in which consumers perceive proper cleaning for their major garments. The worst thing I think we could have is to have an expensive wool suit, coat, or jacket shrink. Consumers would be up in arms immediately if that happened. Besides, we not only have to worry about shrinkage of the shell fabric, but there are five or six different fibers and fabrics in most tailored clothing, and that's the area where most of the dry cleaning and refurbishing on a professional basis takes place. Anything that we do to utilize wet cleaning in this whole process needs to be done very carefully, but it needs to be done and that's why we're here today.